

DESC-EUROPE-NATO

Mr. Daniel A Russell
Director, DESC-EU-NATO
U.S. Mission to NATO

EUCOM FY 04 POLCON

April 13, 2004

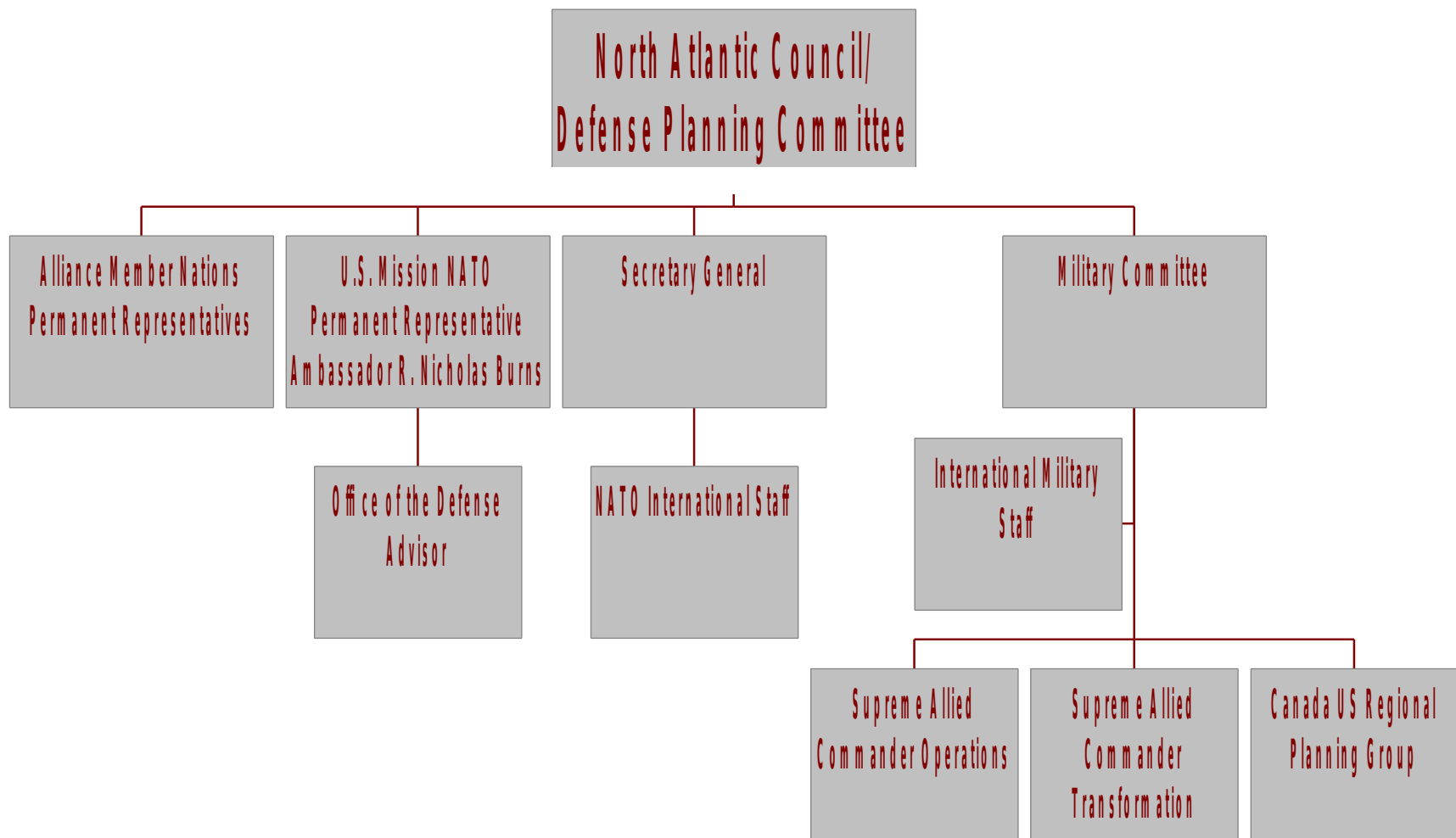
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OVERVIEW

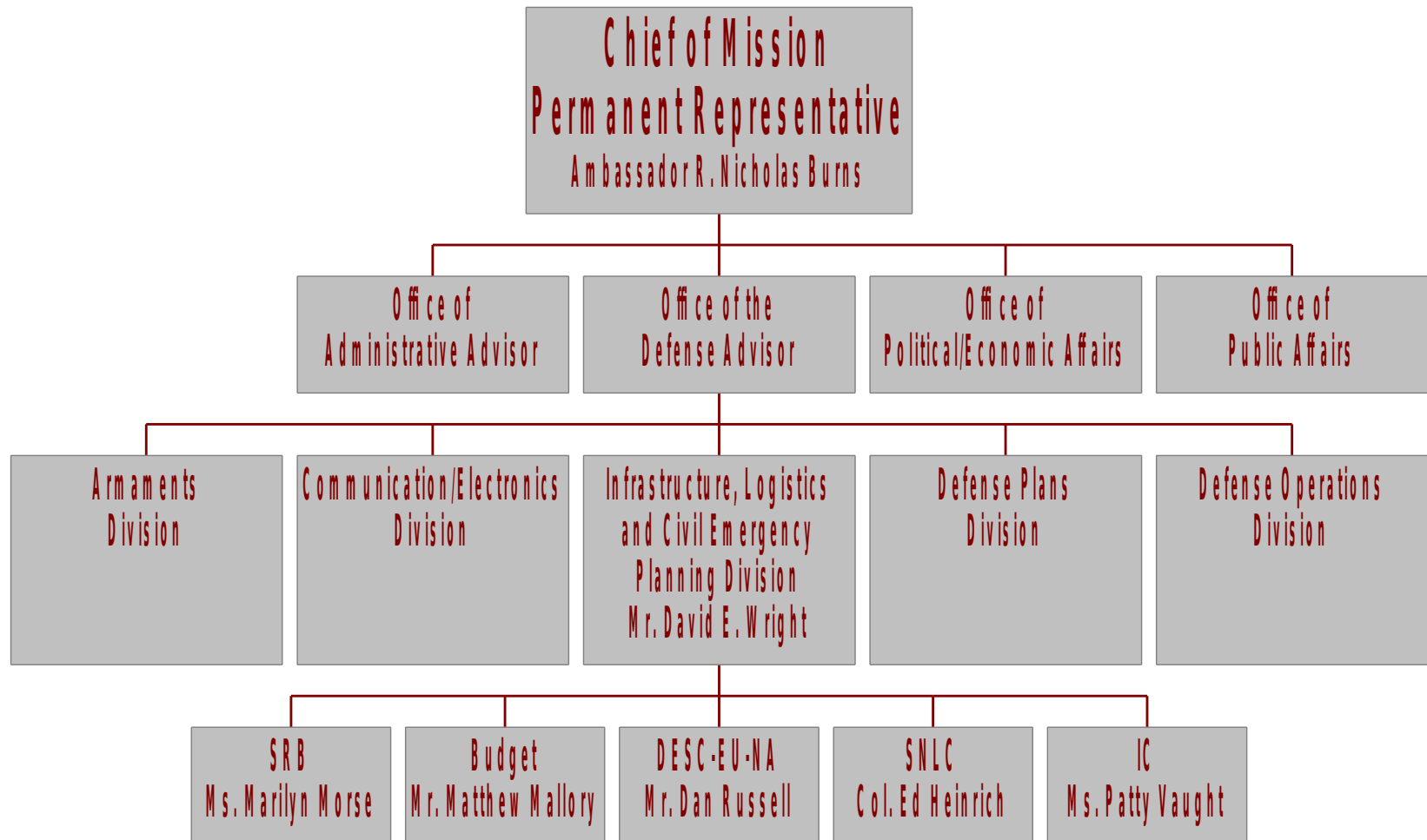
- U.S. Mission to NATO Infrastructure, Logistics, and Civil Emergency Planning Division
- NATO Pipeline Committee (NPC)
- Central Europe Pipeline Management Organization Board of Directors (CEPMO BOD)
- Capability Packages and the NATO Security Investment Program
- The “Way Ahead”

**U.S. MISSION TO NATO
INFRASTRUCTURE, LOGISTICS,
AND CIVIL EMERGENCY
PLANNING DIVISION (ILCD)**

U.S. MISSION to NATO



OFFICE OF THE DEFENSE ADVISOR



THE ILCD TEAM

- **Mr. David E. Wright, Director (SES 4)**
 - Senior Resource Board (SRB) and CEP; Chairman, CEPMO BOD
- **Mr. Matthew Mallory**
 - Military Budget Committee; Operations & Maintenance
- **Ed Heinrich (Colonel, USA)**
 - Senior NATO Logisticians' Conference (SNLC)
- **Ms. Marilyn Morse**
 - Senior Resource Board and Capability Packages
- **Ms. Patricia Vaught**
 - Infrastructure Committee (IC); NATO Security Investment Program (NSIP)
- **Mr. Daniel A. Russell (DESC-EU-NA)**
 - NPC and CEPMO BOD

DESC-EU-NA MISSION FUNCTIONS

- Represent and advocate U.S. petroleum logistics interests at NATO on the NPC and the CEPMO BOD.
- Coordinate U.S. petroleum logistics positions with DESC, EUCOM JPO, JCS, and OSD for Department of State position.
- Primary U.S. liaison to the NATO International Staff (NIS) for all petroleum issues.
- Works w/ILCD Team and U.S. Military Delegation to facilitate U.S. petroleum policy, programs, operations, infrastructure projects and financial interests at NATO.

NATO PIPELINE

COMMITTEE (NPC)

NATO PIPELINE COMMITTEE (NPC)

- **Senior advisory body** (Committee) in NATO on consumer logistics relating to petroleum.
- Functions on behalf of the Council, in full consultation with the NATO Military Authorities on all matters of NATO-wide concern in connection with military fuels, lubricants, and associated products and equipment, the NATO Pipeline System (NPS) and petroleum installations.
- Supported by three permanent Working Groups.

NPC WORKING GROUPS

- **NPC Working Group 1 (WG1)**

- Works special tasks as directed by the NPC; DESC-EU-NA is a member.

- **NATO Fuels & Lubricants WG (NF&LWG)**

- Forum to review and develop standardization of fuels, oils, and associated **products** (Ref: STANAG 1135).

- Naval F&LW Party; Army F&LWP; and Aviation F&LWP.

- U.S. Team Lead: Mr. Virgil M. Rigoli, GS-14 virgil.Regoli@wpafb.af.mil

Chief, Products Engineering Branch
AF Petroleum Office, WPAFB

- **Petroleum Handling Equipment WG (PHEWG)**

- Focal point and forum to improve the effectiveness of NATO forces through standardization of POL **facilities and equipment**.

- U.S. Team Lead: Mr. Pat Mumme, GS-15 Pat.Mumme@tyndall.af.mil

Facility Energy Manager

HQ AFCESA/CESM, Tyndall AFB

**CENTRAL EUROPE PIPELINE
MANAGEMENT
ORGANIZATION
BOARD OF DIRECTORS
(CEPMO BOD)**

CEPMO BOD

- **Governing body** overseeing the collective political, military, commercial, financial, and technical interests in the Central Europe Pipeline System (CEPS).
- Members: BE (Luxembourg), CA, FR, GE, NL, U.S.
- CEPS day-to-day management is the responsibility of the Central Europe Pipeline Management Agency (CEPMA) and CEPS Host Nations.
- Supported by two Working Groups.

CEPMO BOD WORKING GROUPS

- **Budget Screening Working Group (BSWG)**
 - Principle financial advisory committee to the CEPMO BOD.
 - Meets annually, just prior to December's BOD meeting to review, discuss, and propose next years annual CEPS budget.
 - DESC-EU-NA represents the U.S.
- **Military Planning Working Group (MPWG)**
 - Ad hoc WG under JFC-NORTH; advocate NATO military authorities position, interests, and requirements. (e.g., Core Airfield Concept/Fuel Study; Minimum Military Requirement (MMR) for MPRE/WARDAM II).
 - DESC-EU-NA attendance based on issues addressed.

U.S. OPERATIONAL INTEREST IN THE CEPS

- Is absolutely essential for providing in theater fuel support to U.S. forces in Central Europe during peacetime, for the defense of Europe and, U.S. out of area operations, contingencies and war.



CENTRAL EUROPE PIPELINE SYSTEM

- Connects European refineries and sea entry/take-off points to military and commercial operations in the Central Region.
- Built to withstand war damage; dual-directional; operates 24/7.
- Undergoing major “right-sizing” effort.

	Installations	2002	2002/2008
Sea Entry Ports		5	5
Pipelines	Main Lines	6,143	5,092
	High Pressure Pump Stations	100	77
Storage	Depots	47	31
	Tanks	281	215
	Capacity (1000m3)	1,308	1,072
Distribution	Truck Loading Stations	37	18
	Rail Loading Stations	5	4
	Barge Loading Stations	2	1
Personnel		1,091	874

CEPS DEACTIVATION PROPOSAL

RED - Deactivations to be implemented

BROWN - Pending decision by SHAPE to deactivate [and] economic analysis

GREEN - Following completion of NSIP projects



FUTURE STRUCTURE OF CEPS

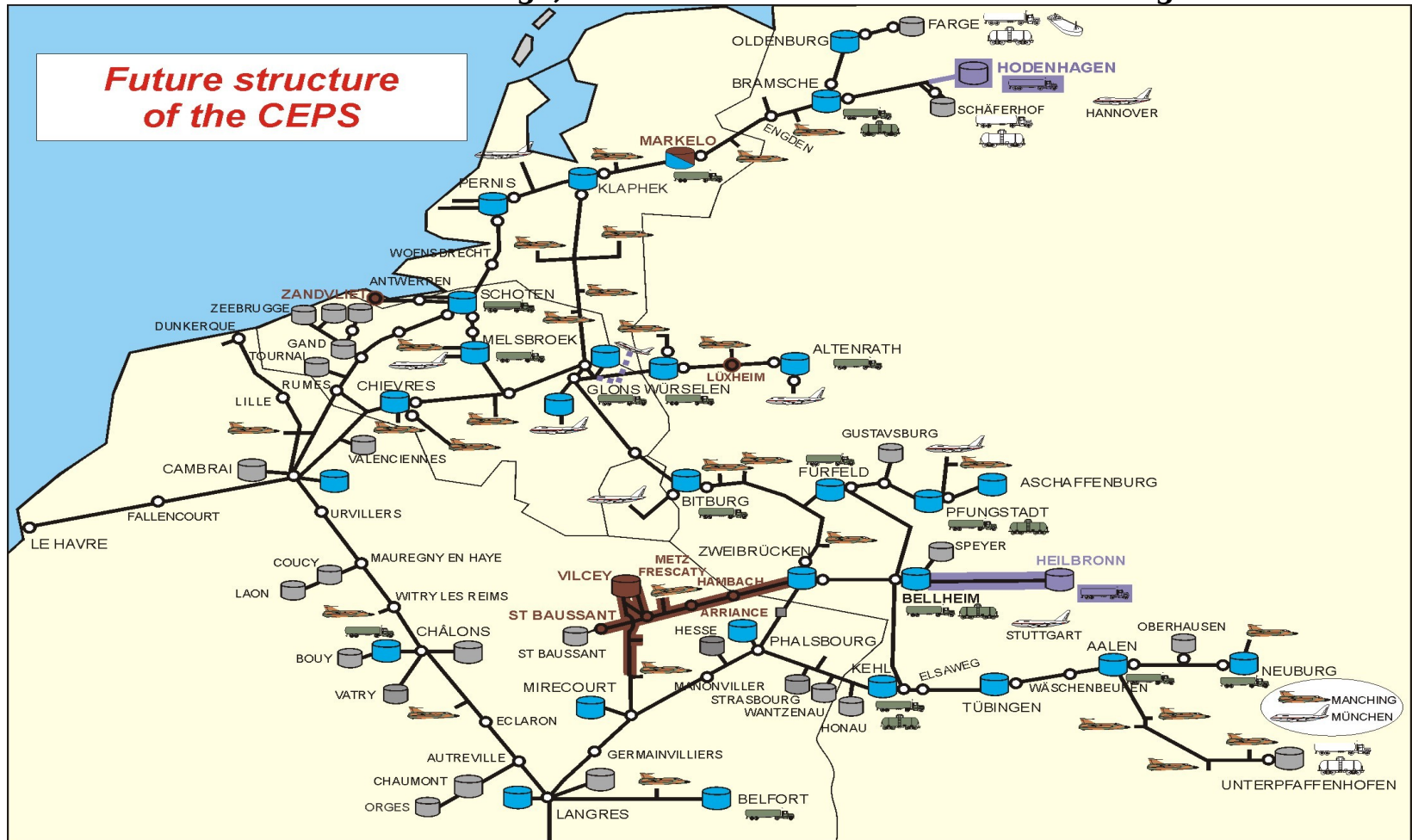
RED - Deactivations to be implemented

BROWN - Pending decision by SHAPE to deactivate [and] economic analysis

GREEN - Following completion of NSIP projects

VIOLET - Pending economic analyses

BLUE - CEPS storage; **CRAY** - National or Commercial Storage



U.S. FINANCIAL INTEREST IN CEPS

- **NATO Security Investment Program (NSIP)**

- NSIP common funded (infrastructure) investment in CEPS.
- Down to EURO 25M per year; U.S. cost share (21.7528%): **[\$5.44M]**

- **Revenues**

- Fund operational costs for CEPS fuel storage and distribution.
- Generated using military and commercial tariff rates.
- Storage tariff rate: EURO 1.0139 m³ per month; Throughput rate: EURO 6.3296 m³ per km -- U.S. CY04 bill estimate: EURO 9.85M **[\$11.52M]**.

- **National Contributions and Neutralization Program**

- Funds difference between CEPS revenue generation and operational costs
[and] to neutralize redundant CEPS infrastructure/facilities.
- U.S. cost share (30.854%)/(25.899%); CY04 bill EURO 13.05M/1.55M: **[\$15.26/\$1.82M]**

- **Pension Fund**

- U.S. cost share: **[\$.637M]** per year. **TOTAL: \$34.68M**

U.S. CEPS FUNDING SOURCES

- **NATO Security Investment Program**
 - Military Construction Appropriation Bill
 - North Atlantic Treaty Organization -- Security Investment Program appropriation
 - Army Executive Agent; ILCD authorizes payments, Army Finance Office (Chievres AB, BE) pays bill.
- **Tariff Rates**
 - Defense Working Capital Fund (POC: DESC-R)
- **National Contributions and Neutralization Program**
 - Defense Appropriation Bill
 - Army; Operations and Maintenance Budget
 - Support of Other Nations (BA44 Account); CEPMA, Etc appropriation
 - Army Executive Agent; ILCD authorizes payments; Army Finance Office (Chievres AB, BE) pays bill.

CEPS USAGE/FUNDING COST SHARES

	Storage	Throughput	Contribution	Phase II
US	40.9%*	6.1%	30.854%	25.899%
FR	6.8%	3.1%	23.052%	21.794%
GE	13.4%	3.5%	25.202%	23.876%
NL	1.9%	0.7%	9.404%	9.075%
BE	2.7%	0.9%	9.404%	9.135%
CA	1.0%	0.0%	2.063%	2.186%
LU	<1.0%	< 1.0%	.021%	.020%
UK	0.0%	0.0%	0.000%	8.015%

Com. 33.3% 85.7% N/A N/A

* Will change (reduce) in July 2004.

UPCOMING MEETING SCHEDULE

- **NPC**

- Meets twice a year (March and October)
- Held at NATO HQ, Brussels, BE
- Next meeting: Oct 5-6, 2004

- **CEPMO BOD**

- Meets three times a year (May, September, December)
- Held at the Central Europe Pipeline Management Agency (CEPMA) Versailles, FR; Hosted by a Nation, or NATO HQ, Brussels, BE
- Next meeting: May 25-27, 2004 (Hosted by Belgium)

UNDERSTANDING THE NATO CAPABILITY PACKAGE (CP) PROGRAM

CAPABILITY PACKAGE (CP)

- The CP is a Strategic Command (SC) driven “packaging” of related **infrastructure projects** and associated operation and maintenance and manpower costs required to meet a specific Military Function Required Capability (e.g., ACE-wide Air-to-Air Refueling) .
- Is derived from Ministerial Guidance defined within the Bi-SC Defense Requirements Review (DRR) and the Guidance for Defense Planning – addresses SC missions in peace, crisis, and war.

CAPABILITY PACKAGE (Cont'd)

- Assists in the development of Military Capability by identifying resource availability, shortfalls or overlap in military requirements.
- Conceived, initiated, governed and controlled by the SC.
- Developed by the SC, Regional Command Staffs, NATO IS, International Military Staff, Agencies, Host and User Nations.
- Proposals to create, amend, or revise MUST come from the SC or Regional Command (e.g., JFC-NORTH... previously AFNORTH).

CAPABILITY PACKAGE (Cont'd)

- Reviewed biennially against most recent Defense Requirements Review (DRR) and the Defense Planning Questionnaire (DPQ).
- Every CP assigned a Mission Sponsor (MISPO) and CP Coordinator (CAPCO).
- CP change engines:
 - Revision: For changes in operational and military requirement
and consequently, required capability
 - Addendum: Result of additional identified capability, surpluses, or shortfalls
 - Adaptation: Involves only changes at the project level.

POL-RELATED CAPABILITY PACKAGES

- 2A0006 - Air Transport and Air Refueling Assets in the Central Region (Addendum 2).
 - Being converted into two CPS: **CP 5A1301** and **CP 5A0902**
- 2A0013 – Provide and Maintain Dedicated Secure Bulk Fuel Supply to Central Region [Less BALTAP] (Addendum 1 and 2).
 - Approved 12 Jan 96; Add 1-10 Dec 97; Add 2- 22 Oct 99.
 - Addendum 3 in progress; Will be incorporated into CP 2A0980, 2005.
- 2A0014 – Dedicated/Secure Military Bulk Fuel Supply to BALTAP Area of Northern Region.
 - Approved 11 Feb 00; Will be incorporated into CP 2A0981, 2005.

POL-RELATED CAPABILITY PACKAGES

- 2A0025 - Supply of Aviation Fuel to Norway
 - Projects to be incorporated into CP 2A0981, 2005 (Q4)
- 2A0026 - Supply of Bulk Aviation Fuel in UK
 - Projects to be incorporated into CP 2A0981, 2005 (Q4)
- **2A0980 - Bulk Fuel Assets in Northern Region (Center)**
 - Will replace CP 2A0013; Scheduled for submission to NATO in 2005 (Q4)
 - On hold in NMC and SRB; pending JFC-NORTH Core Airfield Concept [and] Study (The “Concept” will identify core airfields in each country that have an enduring role for the Alliance; will establish MMR)
 - “Concept” staffing completed at SHAPE; next step - MC for “notation.”
 - Draft “Study” complete; pending “Concept” notation. Next step - MC approval, 2004(Q3).
 - CEPS centric; **will** include U.S. airbases in Central Region (e.g., Ramstein and Spangdahlem AB, GE)

POL-RELATED CAPABILITY PACKAGES

- **2A0981 - Bulk Fuel Assets in Northern Region (Periphery)**
 - Under development; Will replace CP 2A0014, 2A0025, 2A0026 and parts of CP 2A0022.
 - **Will** include U.S. airbases in the UK (e.g., RAF Lakenheath, RAF Mildenhall, and RAF Fairford), Iceland, Etc.
 - Scheduled for submission to NATO in 2005 (Q4).

- **3A0013 - Logistics Support and Re-supply Facilities for Multi National Maritime Forces (MNMF)**
 - Screened by SRB Nov 02. On hold in MC for break of silence by two nations. - Will be replaced by CP 3A1490.

- **3A0023 - Restore NATO Pipeline Systems in Southern Region (Addendum 1)**
 - DPC approved Apr 02. Will be incorporated into CP 3A0990 (GR and TU projects); CP 3A0991 (IT projects), 2004 (Q4).

POL-RELATED CAPABILITY PACKAGES

- 3A0029 - Enhance NATO Pipeline System in SE Turkey
 - DPC approved, July 2000; Will be incorporated into CP 3A0990, 2004 (Q4).
- 3A0048 - Greece Pipeline System Enhancements
 - To be incorporated into CP 3A0990, 2004 (Q4)
- 3A0049 - Enhance NATO Pipeline System in Western Turkey
 - To be incorporated into CP3A0990, 2004 (Q4)
- 3A0050 - Italy Pipeline System Enhancements
 - To be incorporated into CP 3A0991, 2005 (Q5)

POL-RELATED CAPABILITY PACKAGES

➤ 3A0990 - Bulk Fuel Assets in the Southern Reg. (East)

- Will replace CP 3A0029; CP 3A0023 (GR and TU projects); CP 3A0050; and parts of CP 3A0053.
- First Draft “rejected” by SHAPE CP Review Board as too Cold War-oriented
 - Questioned 30-day requirement and need for system redundancy
- Scheduled for revision and re-submission for approval, 2004 (Q4).

➤ 3A0991 - Bulk Fuel Assets in the Southern Reg. (West)

- Will replace CP 3A0023 (IT projects); CP 3A0048; and 3A0049.
- First Draft “rejected” by SHAPE CP Review Board as too Cold War-oriented
 - Questioned 30-day requirement and need for system redundancy
- Scheduled for revision and re-submission for approval, 2004 (Q4).

POL-RELATED CAPABILITY PACKAGES

- **3A1490 - Maritime Operations in the Southern Region.**
 - This CP will supercede CP 3A0013. Scheduled for submission in 2004.
- **5A0902 - Air Transport**
 - This CP will supercede CP 2A0006; Scheduled for submission in 2005 (Q4)
- **5A1301 - Air-to-Air Refueling**
 - This CP will supercede CP 2A0006; Scheduled for submission in 2004 (Q2).
- **9B3061 - Logistics (Replenishment and Supply), Rev 2**
 - Approved Dec 99; Rev 2 received by NATO 16 Oct 02 - being screened by IS and IMS.

THE CZECH REPUBLIC

- CP 2A0022 – Provide Facilities for Reaction Forces in Czech Republic and Poland
- Fuel projects to be incorporated into CP 2A0981, 2005 (Q4)
- Projects:
 - Upgrade bulk fuel storage depots and associated infrastructure at Cepro s.c. Velka Bites; Roudnice nad Labem; Hermanuv Mestec civil terminals
 - Install fuel pipeline from Velka Bites Depot to Namest and Oslavou
 - Upgrade jet fuel installations at Namest [and] Oslavou Air Bases
 - Construct fuel storage at Caslav AB

HUNGARY

- CP 3A0053 – Provide Facilities for Reaction Forces in Hungary
- Bulk fuels projects to be incorporated into CP 3A0990 by 2004
- Projects:
 - Upgrade on-base fuels installations at Kecskemet and Papa Airbases;
 - Install 2 x 2,500m³ storage tanks at both locations [EURO 9.5M/10.8M]. -
 - Kecskemet: one tank near completion; the other started. Construction at Papa to begin this summer; ETIC January 2006.
 - Construct fuel storage at National Oil Company (MOL Ltd.) off-base bulk fuel depots: Kecskemet, Komarom, and Csepel.
 - Currently working with MOL Ltd. Note: HU will connect Kecskemet AB to the national oil product pipeline system in 2004.

POLAND

- CP 2A0022 – Provide Facilities for Reaction Forces in Czech Republic and Poland
- Bulk fuel projects to be incorporated into CP 2A0981, 2005 (Q4)
- Projects:
 - Construct or replace jet fuel storage installations and associated pipelines and support infrastructure at Malbork, Krzesiny, Powidz, Swidwin, Minsk Mazow (Helicopters), Mirosławiec, and Lask
 - Upgrade and extend POL Depots at Gardeja, Cybowo, Porazyn, and Puszcza Marianska
 - Various F-75 (naval distillate) system upgrades at Ddynia.

NEWEST ALLIANCE MEMBERS

- Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia; current expectation is one CP for all.
- Must update fuels-related reference material and planning documents.
- Study of fuels systems to commence with arrival of new JFC-NORTH staff officer (Aug 04)
- Terms of Reference (for study) drafted.
 - Will combine into a single document the fuel systems of all seven new nations
 - Will be used to update the JFC-NORTH Fuels Study

**UNDERSTANDING THE NATO
SECURITY INVESTMENT
PROGRAM
(NSIP)**

NATO SECURITY INVESTMENT PROGRAM (NSIP)

- The NATO Security Investment Program (NSIP) provides the minimum fixed and mobile **common funded infrastructure** necessary for NATO unique training requirements, peacetime, deterrence operations, crisis, and war -- as determined by and prioritized by the NATO Strategic Commanders in the Capability Package (CP) Program.

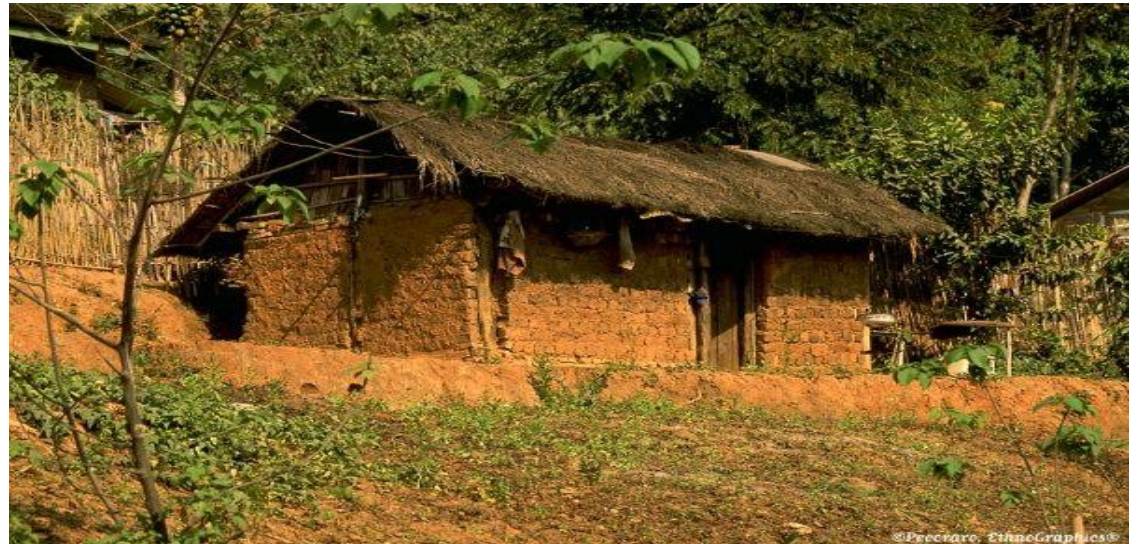
GENERAL NSIP PRINCIPLES

- **Projects** for common-funding are submitted, as a rule, within the framework of the CAPABILITY PACKAGE (CP) Program as a Major Works Project.
- Must support a NATO mission and Capability Package!
- “Over and Above”
 - “Over” the existing available assets and also “Above” reasonable expectations of provision from national sources.
- Minimum Military Requirement (MMR)
 - Basis for NATO Criteria and Standards.
 - The most “austere” facility required to meet a NATO military need as determined by the NATO Military Authorities.

***U.S.
Standards*** →



***NATO
Standards***



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COST SHARES

- **NSIP** – Common Funded Budget

	19- Nation	18- Nation		19-Nation	18-Nation
US (*)	22.3330%	25.5311%	IT	7.0979%	8.8045%
BE	3.3474	3.7779	LX	0.1422	0.1508
CA	4.0745	4.9713	NL	3.6135	4.0223
CZ	.9000	1.0563	NO	2.0169	2.1404
DE	2.4655	2.7046	PO	2.4800	2.9077
FR	13.8543	N/A	PT	0.4604	0.5680
GE	18.3450	20.7090	SP	3.3760	3.9812
GR	1.0000	1.0500	TU	1.2627	1.5085
HU	0.6500	0.7629	UK	12.5807	15.3555
IC	0.0000	0.0000			

* U.S. Cost Share, based on NATO Enlargement, to
21.7258%(26)/24.63%(25)

- Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, Slovenia (2.67%)

PROJECT APPROVAL PROCESS

- NATO commanders direct subordinate commands on missions/roles.
- Subordinate commands generate specific projects to support each directed mission/role.
- Projects, O&M costs, and personnel for each mission encapsulated in CP.
- CP endorsed:
 - ✓ By Military Committee for validation of military need
 - ✓ By Senior Resource Board for technical, financial, and political acceptability.

PROJECT APPROVAL PROCESS (cont'd)

- CP approved:
 - ✓ Council or Defense Planning Committee.
- Individual projects from CPs authorized for implementation by Infrastructure Committee based on 30% design submission.
- Incremental funding authorized annually to meet contract obligations.

WHAT IS A MAJOR WORKS PROJECT? Projects > EURO 500,000

- Includes 3% National Administrative Expenses (NAEs), 8% Architecture/Engineering (A/E) fees, and 10% for contingencies.
- Programming document is a Project Data Sheet (PDS) – Basically the same as a DD Form 1391.
- Infrastructure and/or facilities to be restored within NSIP must be either **on the NATO Inventory** or **offered to NATO** for

WHAT IS A MINOR WORKS PROJECT?

Projects < EURO 500,000

- Is “A discreet, straightforward, self-standing and completely useable project [and] not part of a larger project.”
- Must satisfy same criteria as any other project submitted as part of a CP and be in line with guidelines for common funding.
- Projects that create NATO O&M or manpower costs are not eligible.
- Contact the HN or U.S. NSIP Programming Team “Component Expert” to determine Project “eligibility” and “way ahead.”

WHAT IS AN URGENT REMEDIAL PROJECT?

- Provide funding support in a short time for NATO facilities.
- Reasons for urgency based on: operational, economic, or environmental considerations – which were unforeseen and cannot wait for CP approval.
- Typical reasons are Acts of man (terrorist actions, accidents); Acts of nature (earthquakes, storms, floods, natural disasters); or unobservable deterioration which has resulted in sudden failure.

WHAT IS AN URGENT REMEDIAL PROJECT (Cont'd)?

- Slow deterioration - NOT sufficient reasoning for urgency.
- Base must identify urgent requirement when damage occurs.
- Base must take immediate action to make temporary repairs and limit further damage – using national funding.
- If subsequently determined to be NATO eligible, repairs funded “a posteriori” (after-the-fact) by NATO.
- No cost ceiling.

WHAT IS A STAND ALONE PROJECT?

- Single project with a specifically defined scope – is treated like a CP.
- Is a NATO MMR but is totally unrelated to a required capability in a CP.
- Can be programmed, authorized, and implemented by itself.
- Are extremely rare (e.g., Partnership for Peace Communication Links to NATO HQ)!

THE U.S. NSIP PROGRAMMING AND PROJECTS TEAM

NATO	Ms. Marilyn Morse (CPs)	DSN: 369-3157
	Ms. Patricia Vaught (Projects)	DSN: 369-3158
USEUCOM	Lt Col. Duane Patrick	DSN: 430-5326
USAFE	Mr. Jim Fitzpatrick	DSN: 480-6227
	[GR, HU, IT, TU]	
	Mr. Bill Siegele (Apr 04)	DSN: 480-6227
	[Benelux, Czech Republic, GE, NL, Poland]	
	Capt. Elwood Henry	DSN: 225-5230
	[DE, FR, IC, NO, PO, SP, UK]	
USAREUR	Mr. Mike Montgomery	DSN: 370-6544
	Mr. Bob Garback	DSN: 370-7298
USNAVEUR	Mr. Roger Saunders	DSN:235-4238

THE “WAY AHEAD”

NPC “WAY AHEAD”

- Single Fuel Concept (SFC)
- Expeditionary Fuel Experiment
- Petroleum Policy, Doctrine, and Guidance

SINGLE FUEL CONCEPT (SFC)

- Nations continue to support the SFC when deployed and supporting out-of-area contingencies and operations.
- When in garrison, nations use F-54 (diesel) rather than F-34 (aviation fuel); the U.S. is the “exception” in GE , and in CONUS.
- Iraq actually providing the Alliance the first real long-term experience using the SFC (F-34) on the battlefield – no real problems reported to date (Chairman, NF&LWG).

SINGLE FUEL CONCEPT (SFC)

- New European Union (EU) directives governing production and product characteristics of F-54 (e.g., ultra-low sulfur contents), F-76 (naval distillate), and engine exhaust and emission control limits now threaten U.S. SFC-operations in Germany and U.S. navy ships operating in EU waters.
- Solution: Work (F-34) SFC issue one-on-one with Germany to ensure EU legislation does not apply to U.S. combat equipment/vehicles using F-34; a waiver for U.S. naval ships (following UK Royal Navy approach) may be appropriate.
- HQ USEUCOM JPO has “Lead” and is working closely with DESC-EU and U.S. Mission to the EU (and NF&LWG) to resolve this current challenge.

EXPEDITIONARY FUEL EXPERIMENT

- Allied Command Transformation (ACT) Project '04.
- Purpose: Develop a tool to model and assess the NATO fuel expeditionary support capability needed to sustain a NATO Reaction Force (NRF) through the full spectrum of operations.
 - NRF (Ref: 2002 Prague Summit) - 20,000 troops, a combined naval task force, and air element capable of 200 combat missions.
- Goal - Reduce logistics footprint supporting a NRF; help tailor operational planning; and reflect multi-national/joint force-nature of future NRF operations.

EXPEDITIONARY FUEL EXPERIMENT

- Currently developing the database for NRF fuel consumption and associated software; final release expected in 2004 (Q3).
- Will be tested during CPX “Allied Warrior 2004” (Q4).
- POC: LtCol Sandor Gyorfi, HQ SACT, Logistics

NATO PETROLEUM POLICY, DOCTRINE AND GUIDANCE

- **“Directive for the NATO Petroleum Supply Chain”**
CM(2003)30 approved April 11, 2003
 - Provides guidance to NATO and national authorities on the principles, policies, and characteristics of the NATO petroleum supply chain.
- **“Allied Joint Logistic Petroleum Doctrine”** AJP 4.7
 - Purpose: Establish NATO’s overall logistic petroleum support doctrine
 - Status:
 - Awaiting the Petroleum Planning Chapter from SHAPE (Mar/Apr 04) and comments from ACT.
 - Next steps
 - Circulate in NPC WG1 Ad hoc committee for coordination
 - Review by NATO Doctrine Committee and subsequent promulgation (Jul/Aug 04)

CEPMO BOD “WAY AHEAD”

- New General Manager – LtGen H. Van Remortel (BE), Sep 04.
- Budget 2004+: New storage/distribution tariff rates:
 - Storage: +1.6% (for inflation) in 2004; +5% per year for five years (2005 – 2009) starting October 1, 2004.
 - U.S. reservation – increase dependent on CEPS Host-Nations achieving personnel reductions agreed in the CEPS Review
 - Distribution: +1.6% (for inflation) in 2004; future years TBD.
- Continue to lead CEPMO BOD efforts to increase commercial revenues, right-size the CEPS, and reduce O&M costs.
 - Goal: decrease U.S. national contributions/costs
 - Projected CY04 contribution = \$16.08 million
 - Projected CY09 budget (excluding inflation) = \$9.6 million.
- Future U.S. participation in the CEPS...**Need a new study!**

NATO-RUSSIA COUNCIL (NRC) FUELS WORKSHOP

- Aim – To further NATO-Russia logistics cooperation
- Next “Workshop” hosted by the U.S (DESC-EU), Crowne Plaza Hotel, Wiesbaden, GE, June 22-24, 2004
- Agenda (Day 1)
 - Product interchangeability and development of joint standards (FR)
 - Technical aspects of the storage/distribution of fuels (CEPMA)
 - Russian Tactical Fuels Handling Equipment (Russian Delegation)
 - The Russian fuels pipeline system (Russian Delegation)
 - Jet Fuel availability and the quality of supply (UK)
- (Day 2)
 - Tour of Ramstein AB, GE Fuels Management Flight operations
 - Tour of DESC Laboratory, Rhein Ordnance Barracks
- POC: Maj. Kevin Findley, DESC-EU, DSN: (314) 338-7820
Kevin.findley@dla.mil

QUESTIONS?

RussellDA2@state.gov
RussellDA2@state.sgov.gov

PH: 32.2.724.3118
DSN: (314) 369-3118
FAX: 32.2.724.3420